

Executive Summary – Enforcement Matter – Case No. 43901
Trend Gathering & Treating, LLC
RN103043840
Docket No. 2012-0734-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Teague Sweet and Sour Compressor Station, on Highway 179 four miles east of the intersection of Highway 84 and Highway 179, Teague, Freestone County

Type of Operation:

Compressor station

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: August 3, 2012

Comments Received: No

Penalty Information

Total Penalty Assessed: \$10,875

Amount Deferred for Expedited Settlement: \$2,175

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$8,700

Total Due to General Revenue: \$0

Payment Plan: N/A

SEP Conditional Offset: \$0

Name of SEP: N/A

Compliance History Classifications:

Person/CN - Average

Site/RN - Average

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: September 2002 and September 2011

Executive Summary – Enforcement Matter – Case No. 43901
Trend Gathering & Treating, LLC
RN103043840
Docket No. 2012-0734-AIR-E

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: November 17, 2011

Date(s) of NOE(s): March 8, 2012

Violation Information

1. Failed to comply with the 1.69 pounds per hour (“lbs/hr”) volatile organic compounds (“VOC”) permitted emission rate for compressor engines COMP 2 and COMP 4 during a stack test conducted on October 19, 2010. Specifically, the stack test results showed VOC emission rates of 1.89 lbs/hr from COMP 2 and 1.76 lbs/hr from COMP 4, resulting in 2,460 lbs of VOC emissions from October 19, 2010 to July 22, 2011 [Federal Operating Permit (“FOP”) No. 02782/General Operating Permit (“GOP”) No. 514, Site-Wide Requirements (b)(8)(B), Standard Permit Registration No. 54655, 30 TEX. ADMIN. CODE §§ 122.143(4) and 116.115(b)(2)(F), and TEX. HEALTH & SAFETY CODE § 382.085(b)].
2. Failed to maintain records of quarterly stationary vent observations [FOP No. 02782/GOP No. 514, Site-Wide Requirements (b)(9)(B)(iv)(c), 30 TEX. ADMIN. CODE § 122.143(4), and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent has implemented the following corrective measures at the Site:

- a. Obtained an amendment to Standard Permit Registration No. 54655 on July 22, 2011. The amendment increased the maximum allowable emission rate of VOC from compressor engines COMP 2 and COMP 4 to 1.96 lbs/hr; and
- b. Implemented a record keeping system at the Station to document quarterly stationary vent observations on March 20, 2012.

Technical Requirements:

N/A

Litigation Information

Date Petition(s) Filed: N/A

Date Answer(s) Filed: N/A

SOAH Referral Date: N/A

Hearing Date(s): N/A

Settlement Date: N/A

Executive Summary – Enforcement Matter – Case No. 43901
Trend Gathering & Treating, LLC
RN103043840
Docket No. 2012-0734-AIR-E

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Rebecca Johnson, Enforcement Division,
Enforcement Team 5, MC R-14, (361) 825-3423; Debra Barber, Enforcement Division,
MC 219, (512) 239-0412

TCEQ SEP Coordinator: N/A

Respondent: K. S. Rose, President, Trend Gathering & Treating, LLC, 810 Houston,
Fort Worth, Texas 76132

Respondent's Attorney: N/A

DATES	Assigned 12-Mar-2012	Screening 28-Mar-2012	EPA Due 3-Dec-2012
	PCW 28-Mar-2012		

RESPONDENT/FACILITY INFORMATION	
Respondent Trend Gathering & Treating, LLC	
Reg. Ent. Ref. No. RN103043840	
Facility/Site Region 9-Waco	Major/Minor Source Major

CASE INFORMATION			
Enf./Case ID No. 43901	No. of Violations 1	Order Type 1660	
Docket No. 2012-0734-AIR-E	Government/Non-Profit No	Enf. Coordinator Rebecca Johnson	
Media Program(s) Air	EC's Team Enforcement Team 5		
Multi-Media			
Admin. Penalty \$ Limit Minimum \$0 Maximum \$10,000			

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$10,000
ADJUSTMENTS (+/-) TO SUBTOTAL 1		
Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.		
Compliance History	0.0% Enhancement	Subtotals 2, 3, & 7
Notes: No adjustment for compliance history.		\$0
Culpability	0.0% Enhancement	Subtotal 4
Notes: The Respondent does not meet the culpability criteria.		\$0
Good Faith Effort to Comply Total Adjustments		Subtotal 5
		\$2,500
Economic Benefit	0.0% Enhancement*	Subtotal 6
<div style="display: flex; justify-content: space-between;"> Total EB Amounts \$76 *Capped at the Total EB \$ Amount </div> <div style="display: flex; justify-content: space-between;"> Approx. Cost of Compliance \$2,000 </div>		\$0
SUM OF SUBTOTALS 1-7	Final Subtotal	\$7,500
OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment
Notes:		\$0
	Final Penalty Amount	\$7,500
STATUTORY LIMIT ADJUSTMENT		Final Assessed Penalty
		\$7,500
DEFERRAL	20.0% Reduction	Adjustment
Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)		
Notes: Deferral offered for expedited settlement.		-\$1,500
PAYABLE PENALTY		\$6,000

Screening Date 28-Mar-2012

Docket No. 2012-0734-AIR-E

PCW

Respondent Trend Gathering & Treating, LLC

Policy Revision 2 (September 2002)

Case ID No. 43901

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN103043840

Media [Statute] Air

Enf. Coordinator Rebecca Johnson

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	0	0%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 0%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance
History
Notes

No adjustment for compliance history.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 0%

Screening Date 28-Mar-2012

Docket No. 2012-0734-AIR-E

PCW

Respondent Trend Gathering & Treating, LLC

Policy Revision 2 (September 2002)

Case ID No. 43901

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN103043840

Media [Statute] Air

Enf. Coordinator Rebecca Johnson

Violation Number 1

Rule Cite(s) Federal Operating Permit No. 02782/General Operating Permit No. 514, Site-Wide Requirements (b)(8)(B), Standard Permit Registration No. 54655, 30 Tex. Admin. Code §§ 122.143(4) and 116.115(b)(2)(F), and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to comply with the 1.69 pounds per hour ("lbs/hr") volatile organic compound ("VOC") permitted emission rate for compressor engines COMP 2 and COMP 4 during a stack test conducted on October 19, 2010. Specifically, the stack test results showed VOC emission rates of 1.89 lbs/hr from COMP 2 and 1.76 lbs/hr from COMP 4, resulting in 2,460 lbs of VOC emissions from October 19, 2010 to July 22, 2011.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			x
Potential			

Percent 25%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment has been exposed to an insignificant amount of pollutants that did not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 4

276 Number of violation days

mark only one
with an x

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$10,000

Four quarterly events are recommended from the October 19, 2010 stack test date to the July 22, 2011 compliance date.

Good Faith Efforts to Comply

25.0% Reduction

\$2,500

	Before NOV	NOV to EDPRP/Settlement Offer
	Extraordinary	
Ordinary	x	
N/A		(mark with x)

Notes

The Respondent completed corrective actions on July 22, 2011, prior to the March 8, 2012 NOE.

Violation Subtotal \$7,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$76

Violation Final Penalty Total \$7,500

This violation Final Assessed Penalty (adjusted for limits) \$7,500

Economic Benefit Worksheet

Respondent Trend Gathering & Treating, LLC
Case ID No. 43901
Req. Ent. Reference No. RN103043840
Media Air
Violation No. 1

Percent Interest 5.0
Years of Depreciation 15

Item Cost **Date Required** **Final Date** **Yrs** **Interest Saved** **Onetime Costs** **EB Amount**
Item Description No commas or \$

Delayed Costs

Equipment			0.00	\$0	\$0	\$0
Buildings			0.00	\$0	\$0	\$0
Other (as needed)			0.00	\$0	\$0	\$0
Engineering/construction			0.00	\$0	\$0	\$0
Land			0.00	\$0	n/a	\$0
Record Keeping System			0.00	\$0	n/a	\$0
Training/Sampling			0.00	\$0	n/a	\$0
Remediation/Disposal			0.00	\$0	n/a	\$0
Permit Costs	\$2,000	19-Oct-2010	22-Jul-2011	0.76	\$76	\$76
Other (as needed)			0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to obtain a permit amendment to authorize the additional VOC emissions from compressor engines COMP 2 and COMP 4. The date required is the date of the stack test. The final date is the date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal			0.00	\$0	\$0	\$0
Personnel			0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling			0.00	\$0	\$0	\$0
Supplies/equipment			0.00	\$0	\$0	\$0
Financial Assurance [2]			0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]			0.00	\$0	\$0	\$0
Other (as needed)			0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$2,000

TOTAL

\$76



Penalty Calculation Worksheet (PCW)

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

TCEQ

DATES	Assigned	12-Mar-2012	Screening	28-Mar-2012	EPA Due	
	PCW	28-Mar-2012				

RESPONDENT/FACILITY INFORMATION

Respondent	Trend Gathering & Treating, LLC		
Reg. Ent. Ref. No.	RN103043840		
Facility/Site Region	9-Waco	Major/Minor Source	Major

CASE INFORMATION

Enf./Case ID No.	43901	No. of Violations	1
Docket No.	2012-0734-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Rebecca Johnson
		EC's Team	Enforcement Team 5
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$3,750
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History	0.0% Enhancement	Subtotals 2, 3, & 7	\$0
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Notes: No adjustment for compliance history.

Culpability	No	0.0% Enhancement	Subtotal 4	\$0
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Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments	Subtotal 5	\$375
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Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
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Total EB Amounts: \$4
Approx. Cost of Compliance: \$250
*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$3,375
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount	\$3,375
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$3,375
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DEFERRAL	20.0% Reduction	Adjustment	-\$675
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes:

Deferral offered for expedited settlement.

PAYABLE PENALTY	\$2,700
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Screening Date 28-Mar-2012

Docket No. 2012-0734-AIR-E

PCW

Respondent Trend Gathering & Treating, LLC

Policy Revision 3 (September 2011)

Case ID No. 43901

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN103043840

Media [Statute] Air

Enf. Coordinator Rebecca Johnson

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	0	0%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 0%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance
History
Notes

No adjustment for compliance history.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 0%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 0%

Screening Date 28-Mar-2012

Docket No. 2012-0734-AIR-E

PCW

Respondent Trend Gathering & Treating, LLC

Policy Revision 3 (September 2011)

Case ID No. 43901

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN103043840

Media [Statute] Air

Enf. Coordinator Rebecca Johnson

Violation Number 1

Rule Cite(s) Federal Operating Permit No. 02782/General Operating Permit No. 514, Site-Wide Requirements (b)(9)(B)(iv)(c), 30 Tex. Admin. Code § 122.143(4), and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to maintain records of quarterly stationary vent observations, as documented during a November 17, 2011 investigation.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

	Harm		
Release	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

	Major	Moderate	Minor
Falsification			
	x		

Percent 15.0%

Matrix Notes

The Respondent failed to meet 100% of the permit requirement.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 1

124 Number of violation days

mark only one
with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$3,750

One single event is recommended based on the one set of records that was not being maintained at the time of the November 17, 2011 investigation.

Good Faith Efforts to Comply

10.0% Reduction

\$375

Before NOV NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary		x
N/A		(mark with x)

Notes

The Respondent completed corrective actions on March 20, 2012, after the March 8, 2012 NOE.

Violation Subtotal \$3,375

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$4

Violation Final Penalty Total \$3,375

This violation Final Assessed Penalty (adjusted for limits) \$3,375

Economic Benefit Worksheet

Respondent Trend Gathering & Treating, LLC
Case ID No. 43901
Reg. Ent. Reference No. RN103043840
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Item Description No commas or \$						

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System	\$250	17-Nov-2011	20-Mar-2012	0.34	\$4	n/a	\$4
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to implement a record keeping system to document quarterly stationary vent observations. The date required is the investigation date. The final date is the date a record keeping system was implemented.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal			0.00	\$0	\$0	\$0
Personnel			0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling			0.00	\$0	\$0	\$0
Supplies/equipment			0.00	\$0	\$0	\$0
Financial Assurance [2]			0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]			0.00	\$0	\$0	\$0
Other (as needed)			0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$250

TOTAL

\$4

Compliance History Report

Customer/Respondent/Owner-Operator:	CN604059063	Trend Gathering & Treating, LLC	Classification: AVERAGE	Rating: 2.50
Regulated Entity:	RN103043840	TEAGUE SWEET AND SOUR COMPRESSOR STATION	Classification: AVERAGE	Site Rating: 0.50
ID Number(s):	AIR OPERATING PERMITS	PERMIT		2782
	AIR OPERATING PERMITS	ACCOUNT NUMBER		FIA001A
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER		FIA001A
	AIR NEW SOURCE PERMITS	AFS NUM		4816100635
	AIR NEW SOURCE PERMITS	REGISTRATION		54655
	AIR EMISSIONS INVENTORY	ACCOUNT NUMBER		FIA001A
Location:	ON HWY 179 4 MI E OF INTX OF HWY 84 AND 179, NEAR TEAGUE, FREESTONE COUNTY			
TCEQ Region:	REGION 09 - WACO			
Date Compliance History Prepared:	April 05, 2012			
Agency Decision Requiring Compliance History:	Enforcement			
Compliance Period:	April 05, 2007 to April 05, 2012			
TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History				
Name:	Rebecca Johnson	Phone:	(361) 825-3423	

Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? YES
2. Has there been a (known) change in ownership/operator of the site during the compliance period? YES
3. If YES, who is the current owner/operator? Trend Gathering & Treating, LLC
4. If YES, who was/were the prior owner(s)/operator(s)? Trend Gathering & Treating LP
5. If YES, when did the change(s) in owner or operator occur? 1/31/12
6. Rating Date: 9/1/2011 Repeat Violator: NO

Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgments, and consent decrees of the State of Texas and the federal government.
N/A
- B. Any criminal convictions of the state of Texas and the federal government.
N/A
- C. Chronic excessive emissions events.
N/A
- D. The approval dates of investigations. (CCEDS Inv. Track. No.)

1	03/06/2008	(637360)
2	02/25/2009	(726116)
3	02/25/2010	(789453)
4	01/05/2011	(880177)
5	01/14/2011	(886008)
6	02/28/2011	(892316)
7	04/01/2011	(901285)
8	03/08/2012	(974953)

E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

N/A

F. Environmental audits.

N/A

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
TREND GATHERING &
TREATING, LLC
RN103043840**

**§ BEFORE THE
§
§
§ TEXAS COMMISSION ON
§
§ ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2012-0734-AIR-E

I. JURISDICTION AND STIPULATIONS

On _____, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Trend Gathering & Treating, LLC ("Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a compressor station on Highway 179, four miles east of the intersection of Highway 84 and Highway 179 near Teague, Freestone County, Texas (the "Station").
2. The Station consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Executive Director and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about March 13, 2012.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Ten Thousand Eight Hundred Seventy-Five Dollars (\$10,875) is assessed by the Commission in settlement of the violations alleged in

Section II ("Allegations"). The Respondent has paid Eight Thousand Seven Hundred Dollars (\$8,700) of the administrative penalty and Two Thousand One Hundred Seventy-Five Dollars (\$2,175) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty.

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).
9. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Station:
 - a. Obtained an amendment to Standard Permit Registration No. 54655 on July 22, 2011. The amendment increased the maximum allowable emission rate of volatile organic compounds ("VOCs") from compressor engines COMP 2 and COMP 4 to 1.96 pounds per hour ("lbs/hr"); and
 - b. Implemented a record keeping system at the Station to document quarterly stationary vent observations on March 20, 2012.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Station, the Respondent is alleged to have:

1. Failed to comply with the 1.69 lbs/hr VOC permitted emission rate for compressor engines COMP 2 and COMP 4 during a stack test conducted on October 19, 2010, in violation of Federal Operating Permit ("FOP") No. 02782/General Operating Permit ("GOP") No. 514, Site-Wide Requirements (b)(8)(B), Standard Permit Registration No. 54655, 30 TEX. ADMIN. CODE §§ 122.143(4) and 116.115(b)(2)(F), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on

November 17, 2011. Specifically, the stack test results showed VOC emission rates of 1.89 lbs/hr from COMP 2 and 1.76 lbs/hr from COMP 4, resulting in 2,460 lbs of VOC emissions from October 19, 2010 to July 22, 2011.

2. Failed to maintain records of quarterly stationary vent observations, in violation of FOP No. 02782/GOP No. 514, Site-Wide Requirements (b)(9)(B)(iv)(c), 30 TEX. ADMIN. CODE § 122.143(4), and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during an investigation conducted on November 17, 2011.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Trend Gathering & Treating, LLC, Docket No. 2012-0734-AIR-E" to:

Financial Administration Division, Revenues Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Station operations referenced in this Agreed Order.
3. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
4. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and

accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.

5. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Rom & Davis J
For the Executive Director

9/25/12
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

KSRose
Signature

MAY 30, 2012
Date

K.S. ROSE
Name (Printed or typed)
Authorized Representative of
Trend Gathering & Treating, LLC

PRESIDENT
Title

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section IV, Paragraph 1 of this Agreed Order.